#### May 8, 2002

NeuStar, Inc. :

in its role as North American :

Numbering Plan Administrator :

: 00-0475

Petition for Approval of Numbering Plan Area Relief Planning for the 815

Area Code :

#### TO ALL PARTIES OF INTEREST:

Copies of the attached letters are being served on all parties of record to this proceeding pursuant to 83 III. Adm. Code 200.710.

Sincerely,

Donna M. Caton Chief Clerk

cr

Administrative Law Judges Moran & Sainsot

Matt C. Deering, Dennis K. Muncy & Joseph D. Murphy
Atty for Intervenor
Meyer Capel, A Professional Corporation
306 W. Church St.
PO Box 6750
Champaign, IL 61826-6750 \*
mailto:mdeering@meyercapel.com
mailto:dmuncy@meyercapel.com
mailto:jmurphy@meyercapel.com

J. Seamus Glynn
Citizens Utility Board
208 S. LaSalle St, Ste. 1760
Chicago, IL 60604 \*
mailto:glynn@citizensutilityboard.org

Mark G. Kaminski Assistant States Attorney Public Utilities Bureau 100 W. Randolph St., 12th FI. Chicago, IL 60601 \* mailto:mkaminski@atg.state.il.us

Clyde Kurlander Atty. for Nextlink Illinois, Inc. Three First National Plaza, Ste. 2315 Chicago, IL 60602 \* mailt:ckatlantis@aol.com

Peter J. Long Manager, External Affairs Network Southwestern Bell Mobile Systems, Inc. SBC Wireless -Great Lakes region 2000 W. Ameritech Center Dr., 3H82 Hoffman Estates, IL 60195-5000 \* mailto:peter.j.long@cingular.com

Julie Lucas Citizens Utility Board 208 S. LaSalle St.. Ste. 1760 Chicago, IL 60604 \* mailto:jlucas@cuboard.org

Carol Pomponio XO Illinois, Inc. 303 E. Wacker Concourse Level Chicago, IL 60601 \* mailto:cpomponio@xo.com

David 0. Rudd
Director, Government Relations
Gallatin River Communications, L.L.C
625 S. Second St., Ste. 103-D
Springfield, IL 62704 \*
mailto:dorudd@aol.com

Edward A. Butts
Atty. for Illinois Bell Telephone Company
Edward A. Butts, P.C.
200 N. Dearborn St., Ste. 4206
Chicago, IL 60601 \*
mailto:ebutts1000@aol.com

Patricia Fleck, Louise Sunderland & James Huttenhower Illinois Bell Telephone Company 225 W. Randolph St. Chicago, IL 60606 \* mailto: pf4361@sbc.com mailto:louise.sunderland@ameritech.com mailto:jh7452@sbc.com

Thomas R. Stanton
Office of General Counsel
Illinois Commerce Commission
160 N. LaSalle St., Ste. C-800
Chicago, IL 60601 \*
mailto:tstanton@icc.state.il.us

Lee Ann Conti Associate General Counsel Citizens Telecommunications Company of Illinois 1000 Internationale Pkwy. Woodridge, IL 60517 \* mailto:lconti@czn.com

Scott Bohler, Manager State Government Affairs Citizens Communications Company 2378 Wilshire Blvd. Mound, MN 55364 \* mailto:sbohler@czn.com

Patrick Phipps
Illinois Commerce Commission
527 E. Capitol Ave.
Springfield, IL 62701 \*
mailto:pphipps@icc.state.il.us

Michael Guerra & John Rooney Atty. for Verizon North Inc. & Verizon South Inc Sonnenschein Nath & Rosenthal 233 South Wacker Dr. Chicago, IL 60606 \* mailto: mguerra@sonnenschein.com mailto: jrooney@sonnenschein.com

\* Active Parties - 1 -

William Roberts & Rendi L. Mann-Stadt Attys. for Verizon Wireless Hinshaw & Culbertson 400 S. Ninth St. Springfield, IL 62701 \* mailto:rmannstadt@hinshawlaw.com mailto:broberts@hinshawlaw.com

Dana Smith
Verizon Wireless
6 Campus Circle
Westlake, TX 76262 \*
mailto:dana.smith@verizonwireless.com

A. Randy Vogelzang Verizon Services Group 600 Hidden Ridge Irvin, TX 75038 \* mailto:randy.vogelzang@verizon.com

Nancy Wells AT&T 620 S. 5<sup>th</sup> St. Springfield, IL 62703 \* mailto:njwells@att,com

Frank Colaco Senior NPA Relief Planner NeuStar, Inc. 8 Stratford Dr. Livingston, NJ 07039 \* mailto:Frank.Colaco@neustar.com

Natalie McNamer PrimeCo Personal Communications One Pierce Place, Ste. 1100 Itasca, IL 60143 mailto:nleff@primeco.com

Judith Argentieri
AT&T Wireless Services
Legal and External Affairs
804 W. University Ave.
Champaign, IL 61820 \*
mailto: Judith.argentieri@attws.com

Marcus Y. Milam
AT&T Wireless Services
Legal and External Affairs
651 Gateway Blvd., Ste. 1500
South San Francisco, CA 94080 \*
mailto:marcus.milam@attws-sf.com

Kevin Saville. Esq. Citizens Communications Company 2378 Wilshire Blvd. Mound, MN 55364 \* mailto:ksaville@czn.com Christopher J. Townsend , David I. Fein Attys. for VoiceStream Piper Rudnick 203 N. LaSalle St., Ste. 1800 Chicago, IL 60601-1293 \* mailto:Christopher.townsend@piperrudnick.com mailto:david.fein@piperrudnick.com

Christopher R. Johnson, Senior Manager Government & Regulatory Affairs Voicestream Wireless Corporation 12920 SE 38" St. Bellevue, WA 98006 \* mailto:chris.r.Johnson@voicestream.com

Michele Thomas
Manager - State Regulatory
Voicestream Wireless Corporation
16 Wing Drive
Cedar Knolls, NJ 07927 \*
mailto:michele.thomas@voicestream.com

Anna Miller
Director of Numbering Policy
VoiceStream Wireless Corporation
401 9" St., NW
Washington, DC 20004 \*
rnailto:anna.miller@voicestrearn.com

Kimberly Wheeler Miller
Atty. for NeuStar, Inc.
1120 Vermont Ave., NW, Ste. 400
Washington, DC 20005 \*
mailto:Kirnberly.wheeler@neustar.com

Joseph E. Donovan & Henry T. Kelly Atty. for AT&T Wireless Services, Inc. O'Keefe, Ashenden, Lyones & Ward 30 N. LaSalle St., Ste. 4100 Chicago, IL 60602 \* mailto:jedonovan@oalw.com mailto:hkelly@oalw.com

Donald E. Weig Bergen Telephone Company Sharon Telephone Company 105 Plain St. Sharon, WI 53585-0400

Alvin Wilkening General Manager Alhambra-Grantfork Telephone Company 114 Wall St. PO Box 207 Alhambra, IL 62001

\* Active Parties - 2 -

Lloyd Vogel, President Tonica Telephone Company 208 Allen St. PO Box 158 Tonica, IL 61370

Jack D. Phillips Citizens Communications Frontier Communications 14450 Burnhaven Dr. Burnsville, MN 55306

David R. Grahn Wabash Telephone Cooperative, Inc. PO Box 299 Louisville, IL 62858

James M. Grisham Shawnee Telephone Company PO Box 69 Equality, IL 62934

Michael Guffy Madison Telephone Company 118 E. State St. PO Box 158 Hamel, IL 62046

David E. Parkhill Hamilton County Telephone Co-op PO Box 40 Dahlgren, IL 62828

Douglas Dougherty, President 300 E. Monroe St., Ste. 306 PO Box 730 Springfield, IL 62705

\* Active Parties - 3 -

#### Illinois Incumbent Local Exchange Carriers:

Forestalling the introduction of new area codes in the State of Illinois is a primary goal of the Illinois Commerce Commission ("Commission"). As you are keenly aware, new area codes impose significant burdens and costs and can lead to unpopular changes in dialing patterns. In an effort to forestall the need for new area codes, the Commission requests that all Incumbent Local Exchange Carriers make their rate centers Local Number Portability ("LNP") capable.

Due to technological limitations, historical patterns of use, and the arcane rules promulgated by federal regulators, vast inefficiencies exist in the utilization of telephone numbers. Indeed, the Commission has received proposals for area code relief plans in both the 815 and 618 areas despite only a fraction of the telephone numbers being utilized in those area codes.

Since 1995, the Commission has led the nation in its attempts to prolong the use of existing area codes. Illinois was the first state in the nation to implement thousand-block number pooling for wireline carriers. Thousand-block number pooling coupled with the implementation of Local Number Portability, has not only led to increased efficiency in the utilization of telephone numbers, but has benefited customers by allowing them to postpone the burdens imposed by new area codes. For instance, the Commission was successful in delaying the introduction of a new area code by over four years in the 847 area by requiring thousand-block number pooling

The Federal Communications Commission also recognized the benefits of number pooling and developed a number pooling rollout schedule. Unfortunately, the current FCC requirements mandate LNP only in the largest 100 Metropolitan Statistical Areas ("MSAs"). For the 815 and 618 area codes, this means that current FCC rules require LNP only within the Chicago and St. Louis MSAs, respectively. Notwithstanding these limitations on the national number-pooling rollout, SBC/Ameritech-Illinois and Verizon have voluntarily agreed to implement number pooling in all of their rate centers. It is this action that the Commission believes will likely result in postponing the burdens of a new area code for a long time.

To this end, the Commission requests you follow SBC/Ameritech Illinois' and Verizon's examples by voluntarily making your rate centers LNP-capable. Since number pooling is predicated on local number portability, LNP-capable rate centers would enable thousand-block number pooling to be employed throughout the entire 815 and 618 area codes. We are sure that you share the Commission's concerns regarding the burdens that inefficient utilization of telephone numbers imposes on your customers and hope that, with your cooperation, we can forestall the introduction of new area codes in Illinois.

Please provide a response to the Commission no later than April 26, 2002, indicating whether your company plans to participate in our number pooling initiative. Please include cost estimates for making your rate centers LNP-capable, as well as explanations as to how those cost estimates were derived. If you are unable or unwilling to make your rate centers LNP-capable, please explain your reasons for not participating.

We welcome any further ideas you may have as to how we can further extend the use of existing area codes. Thank you, in advance, for your cooperation.

Sincerely,

Richard L. Mathias Chairman



## The Bergen Telephone Company

Established in 1908

105 Plain Street SHARON, WISCONSIN 53585-0400 Voice: 262/736-9981

Fax: 262/736-9200



April 23, 2002

APR 3 0 RECTO

TEAMORD OF CANCE

Mr. Richard L. Mathias, Chairman Illinois Commerce Commission 527 East Capitol Avenue Springfield, IL 62701

Dear Mr. Mathias:

In response to your letter of April 9, 2002 concerning the adoption of LNP to allow number pooling, we have determined the following: The cost as determined by our switch vender Nortel Networks is \$4.00 per line plus considerable translation and other upfront costs. Since our switch serves all of our customers, most of whom are in Wisconsin, we would have to pay for this feature for all of our lines even though only a very small number are in Illinois. To date we have never had a need for LNP anywhere. So far as we can determine this feature would be a considerable expense with no currently foreseeable usage. In the event that LNP would be useful in our system, we would then consider implementing this feature.

Very truly yours,

Donald E. Weig

President



## SHARON TELEPHONE COMPANY

Established in 1900

105 Plain Street SHARON, WISCONSIN 53585-0400 Voice: 262/736-9981

Fax: 262/736-9200

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APR 3 0 REC'D

April 23, 2002

TEEROS CALABO

Mr. Richard L. Mathias, Chairman Illinois Commerce Commission 527 East Capitol Avenue Springfield, IL 62701

Dear Mr. Mathias:

In response to your letter of April 9, 2002 concerning the adoption of LNP to allow number pooling, we have determined the following: The cost as determined by our switch vender Nortel Networks is \$4.00 per line plus considerable translation and other upfront costs. Since our switch serves all of our customers, most of whom are in Wisconsin, we would have to pay for this feature for all of our lines even though only a very small number are in Illinois. To date we have never had a need for LNP anywhere. So far as we can determine this feature would be a considerable expense with no currently foreseeable usage. In the event that LNP would be useful in our system, we would then consider implementing this feature.

Very truly yours,

Ponald & Weig Donald E. Weig

President



# Alhambra-Grantfork Telephone Company

114 Wall Street PO Box 207 Alhambra, IL 62001 618 488 2165

April 23, 2002

RECEIVED)

TELECUMMUNICATIONS
DIVISION

Ms. Donna Canton Chief Clerk Illinois Commerce Commission 527 East Capitol Avenue Springfield, Illinois 62701

Dear Ms. Canton:

The letter is our response requested in the April 9, 2002 letter sent by Richard Mathias, Chairman, regarding Local Number Portability (LNP) in the 815 and 618 area codes. At this time, Alhambra-Grantfork Telephone Company is not LNP capable and will not be participating in the Commission's number pooling initiative.

Per the April 9, 2002 letter by Chairman Mathias, Alhambra-Grantfork was requested to list the reason why it is not participating in LNP at this point in time. Alhambra-Grantfork is a member of the Illinois Telephone Association (ITA) and concurs with the ITA's April 22, 2002 letter by Douglas Dougherty on LNP.

If you have any questions, please contact Jamie Becker with GVNW Consulting, Inc. at 217-698-2700.

Sincerely,
Welkening

Cc:

Alvin Wilkening General Manager

Douglas Dougherty, Illinois Telephone Association Jamie Becker, GVNW Consulting, Inc.

# Tonica Telephone Company "Serving Since 1900"

April 16, 2002

208 Allen Street P.O. Box 158 Tonica, Illinois 61370



Tel. 815-442-9901 Fax 815-442-9921

Illinois Commerce Commission Chief Clerk's Office 527 East Capitol Avenue Springfield, IL 62701

Re: Tonica Telephone Company Participation in Number Pooling in 815 NPA To Whom It May Concern:

This letter is being issued in response to the letter received from the Illinois Commerce Commission by Tonica Telephone Company dated April 9, 2002. In this letter from the Commission, the Commission requests a response as to the plans of the company for participation in the number pooling initiative for the 815 NPA.

At this time, the Tonica Telephone Company does not plan to participate in the number pooling initiative in the 815 NPA. Tonica Telephone Company is a small rural local exchange carrier serving the community of Tonica, Illinois and the surrounding area. The company has only one NXX code assigned to it for use in serving this territory. The NXX that the company has been assigned (the 815-442 NPA-NXX) will serve the needs of the company for the foreseeable future. The company is not placing extraordinary demands on the numbering resources of the 815 NPA. If allowed to keep our existing NXX number resources, the company should be covered for its needs well into the future.

Additionally, the company has researched the cost of LNP with its switching vendor. The cost of adding LNP capability to our central office will be approximately \$25,000.00. This additional investment in central office switching equipment does not make economic or business sense given the size of our customer base. Tonica Telephone Company serves approximately 560 access lines. Given the small size of our customer base and the disproportionately large investment to implement LNP, the cost outweighs the potential benefits to our customers.

Finally, Tonica Telephone Company has never received a request by any party for LNP service. Making a large investment in our central office switching equipment for a service that has never been requested from the company makes no sense.

For the reasons stated above, Tonica Telephone Company does not plan to participate in the number pooling initiative for the 815 NPA. If you have any questions, please contact me at 815-442-9901.

Sincerely Vogel Llovd Vogel, President Tonica Telephone Company



April 26, 2002

Donna M. Caton Chief Clerk Illinois Commerce Commission 527 East Capitol Ave. Springfield, IL 62701



APR 2 9 2002

TELECUMMUNICATIONS
BIVISION

Re: Commission Request for Voluntary LNP

Dear Ms. Caton,

This letter is sent on behalf of Citizens Telecommunications Company ("Frontier Citizens"). It is in response to a letter sent by Chairman Mathias on April 9, 2002 requesting that incumbent local exchange carriers voluntarily make their rate centers LNP-capable in the 618 and 815 area codes.

Frontier Citizens is investigating the cost of making its rate centers in 618 and 815 LNP-capable with our respective vendors. Although we are still awaiting firm quotes, we have estimated the amount is approximately \$ 1.6 million. This estimate was obtained from personnel familiar with the cost of LNP and the types of central offices Frontier Citizens has in the 618 and 815 area codes.

Frontier Citizens shares the Illinois Commerce Commission's ("Commission") concerns regarding the burdens that inefficient utilization of telephone numbers imposes on various parties and hope that we can forestall the introduction of new area codes in Illinois. However, we cannot commit to spending that kind of money to make our rate centers LNP-capable without assurances from the Commission that we will be able to recover the costs via a surcharge to end users. There is concern that, under FCC rules, companies would only be allowed to do so upon receiving a Bona-Fide LNP Request. We are not sure if the Commission's request meets the criteria.

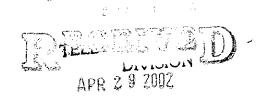
We are further studying whether or not thousand block pooling will be an effective approach to conserving numbers in our rural territory. If we have any new ideas about how to extend the use of existing area codes, we will share them.

Sincerely,

Jack D. Phillips

Regulatory Director-Central Region





14450 Burnhaven Drive Burnsville, MN 55306

April 26, 2002

TELECOMMUNICATIONS Donna M. Caton DIVISION Chief Clerk Illinois Commerce Commission 527 East Capitol Ave.

Springfield, IL 62701

Re: Commission Request for Voluntary LNP

Dear Ms. Caton,

This letter is sent on behalf of Frontier Communications of DePue, Inc., Frontier Communications of Illinois, Inc., Frontier Communications—Midland, Inc., and Frontier Communications—Prairie, Inc. (collectively "Frontier"). It is in response to a letter sent by Chairman Mathias on April 9, 2002 requesting that incumbent local exchange carriers voluntarily make their rate centers LNP-capable in the 618 and 815 area codes.

Frontier is investigating the cost of making its rate centers in 618 and 815 LNP-capable with our respective vendors. Although we are still awaiting firm quotes, we have estimated the amount is approximately \$720,000 for switches serving 6,500 access lines. This estimate was obtained from personnel familiar with the cost of LNP and the types of central offices Frontier has in the 618 and 815 area codes

Frontier shares the Illinois Commerce Commission's ("Commission") concerns regarding the burdens that inefficient utilization of telephone numbers imposes on various parties and hope that we can forestall the introduction of new area codes in Illinois. However, we cannot commit to spending that kind of money to make our rate centers LNP-capable without assurances from the Commission that we will be able to recover the costs via a surcharge to end users. There is concern that, under FCC rules, companies would only be allowed to do so upon receiving a Bona-Fide LNP Request. We are not sure if the Commission's request meets the criteria.

We are further studying whether or not thousand block pooling will be an effective approach to conserving numbers in our rural territory. If we have any new ideas about how to extend the use of existing area codes, we will share them.

Sincerely,

Regulatory Director-Central Region



# Wabash Telephone Cooperative Inc.

April 22, 2002

Mr. Richard L. Mathias, Chairman Illinois Commerce Commission 527 East Capitol Avenue Springfield, IL 62701 CHAIRMAN AND COMMISSIONERS

Dear Mr. Mathias:

In answer to your request of April 9, 2002, regarding Local Number Portability capabilities and costs, I submit the following response.

The cost estimate to make all rate centers within the Wabash Telephone Cooperative, Inc. serving area LNP capable would be approximately \$36,000.00. This cost is derived from an LNP pricing sheet provided by Siemens Stromberg-Carlson.

As our name, Cooperative, portrays, we are always willing to work together for the common good of the majority. However, it appears the cost of this capability exceeds the benefit of the minimal codes that could be recovered from Wabash.

As usual, should this capability be mandated, Wabash would extend every effort to comply.

Sincerely,

David R. Grahn

General Manager/EVP

Wabash Telephone Cooperative, Inc.

and R Such



APR 26 REC'D

**David O. Rudd**Director
State Government Relations

April 24, 2002

Chipara dan a

625 S. Second St., Suite 103-D Springfield, IL 62704 Telephone: 217/744-2420 Fax: 217/744-2421

The Honorable Richard L. Mathias Chairman, Illinois Commerce Commission 527 East Capitol Avenue Springfield, Illinois 62701

#### Dear Chairman Mathias:

I am writing on behalf of Gallatin River Communications L.L.C. in response to your letter of April 9 regarding area code exhaustion and potential remedies. Gallatin shares the Commission's concerns regarding inefficient utilization of numbering resources.

However, Gallatin agrees with the position expressed by Doug Dougherty of the Illinois Telecommunications Association that LNP does not address the root cause of why the 618 and 815 area codes are in jeopardy of an exhaust. Unfettered virtual NXX usage and the questionable activities of certain carriers are responsible for the situation in the 618 and 815 area codes.

Since in Gallatin's view LNP does not adequately address these problems and would be extremely expensive to implement and offer few benefits to our customers, Gallatin does not feel it would be in the best interest of Gallatin or its customers to implement LNP at this time.

Gallatin appreciates this opportunity to respond to your concerns and looks forward to working with the Commission to find a solution to number resource issues. If you have any questions, please feel free to call me.

Sincerely.

David O. Rudd

Gallatin River Communications L.L.C.

(217) 744-2420 dorudd@aol.com



# Shawnee Telephone Company

P.O. Box 69

Equality, IL 62934 Rosiclare, IL 62982 P.O. Box 326

Phone (800) 461-3956

Phone (888) 834-6511

April 25, 2002

Richard Mathias, Chairman Illinois Commerce Commission 527 East Capital Avenue Springfield, IL 62701

Dear Chairman Mathias,

Shawnee Telephone Company is a small telephone company in the 618 area code. We would like to reference the letter from the Illinois Telecommunications Association (ITA) and hope that all of the potential remedies to the 618 area code problem have been exhausted.

If all remedies have been exhausted, Shawnee Telephone Company would consider implementing Local Number Portability and adding Number Pooling capabilities in our rate centers on a voluntary basis.

The cost for Local Number Portability (LNP) would be approximately \$70,000.00 for hardware and software plus installation charges. This estimated cost would be for our DCO host with five remotes and our Remote Node Switch (RNS) with two remotes.

Again, we would consider implementing this only if all other possibilities are exhausted.

Thank You,

James M. Grisham

Controller





April 25, 2002

118 EAST STATE STREET
P.O. BOX 158
HAMEL, ILLINOIS 62046
TELEPHONE 618-633-2267
FACSIMILE 618-633-2713
www.madisontelco.com

Mr. Richard Mathias, Chairman Illinois Commerce Commission 527 E Capital Avenue Springfield, IL 62701

RE: 618 Area Code Exhaust

Dear Chairman Mathias,

RMAN AND Commission of tings" pro-

In response to your letter of April 9, 2002, I would first like to commend this Commission for conducting focus groups throughout the 618 area code. I believe these "town meetings" provided a wonderful opportunity for regulators, industry providers and the citizens of the area to meet and discuss this important issue. I share your concerns regarding the complexities of the inefficient utilization of a limited pool of telephone numbers. Nevertheless, the imposition of local number portability (LNP) on a certain subset of carriers is burdensome, expensive, and confusing to the citizens of these communities.

I would respectfully suggest, as I did in testimony in this proceeding (see Docket 00-0677, February 14, 2002 transcript pages 332 and 333), that the true solution to this problem is not to inconvenience the hundreds of thousands of citizens in the 618 area code, but to simply examine the cause of this "crisis" and address that cause. The jeopardy situation in 618 is a direct result of two (2) CLEC's with questionable business plans designed primarily around "gaming the system" at the expense of others. Therefore, I would suggest that this Commission revisit the issues surrounding virtual NXX and focus on an effort to aggressively reclaim the NXX codes inappropriately held by certain CLECs. If we fail to eliminate the root cause of this problem, we will fail to address the exhaust of numbering resources in the 618 NPA.

To conclude, Madison Telephone Company would incur significant cost to provided LNP and believes this strategy should only be implemented after all other possibilities have been exhausted. Please contact me directly with any questions or concerns at 618.633.2267.

Sincerely,

Michael Guffy: Director – Financial & Regulatory Affairs



### Hamilton County Telephone Co-op

P.O. Box 40 Dahlgren, IL 62828 Telephone 618/736-2211 Fax 618/736-2616

April 23, 2002

APR 25 REC'D

ILLINOIS C.

CITICAGO OFFICE

Richard Mathias, Chairman Illinois Commerce Commission 527 East Capitol Avenue Springfield, Illinois 62701

Dear Chairman Mathias

Hamilton County Telephone Co-op wishes to do its part in making efficient use of the NXX's in the 618 area. However, I believe this can be accomplished in a manner different to what you have outlined without the small local telephone exchanges having to make a rather large outlay of money to do this. I believe that Doug Daugherty of the ITA has outlined some of this in a previous letter to you.

The cost to Hamilton County Telephone Co-op to make the changes in our central office switch is approximately \$40,000.00. This is an estimate provided to me by Siemens, the manufacturer of our switch. In talking with our billing software vendor, Quintrex Data Systems, they estimate it will take approximately \$500,000.00 to rework the software to handle the billing of a call between one number in an NPA NXX and another number within the same NPA NXX that is with another company. This would then be spread among the companies that need this software revision. In Illinois there are two companies that use Quintrex and I do not know if any other companies they work with in other states are needing this type of change or not. Quintrex has also told me that it would be at least a year before they would have this worked out.

If this is the direction the Commission wishes us to take, I believe there should be some monetary help from someone.

Hamilton County Telephone Co-op will await your ruling on this matter before we proceed.

Sincerely

David E. Parkhill, EVP/GM



April 22, 2002

Richard Mathias, Chairman Illinois Commerce Commission 527 East Capitol Avenue Springfield, Illinois 62701

#### Dear Chairman Mathias:

Several members of the Illinois Telecommunications Association (ITA) have forwarded me a copy of your letter of April 9, 2002, the contents of which were discussed by the ITA Board of Directors at its meeting on April 19, 2002. The Board has directed me to respond to your letter and to express the collective sentiment of the ITA membership operating in the 618 and 815 area codes with respect to area code exhaust and potential remedies. Each ITA member is free to respond individually to your letter of April 9, 2002.

First, let me state that the ITA does indeed share the Illinois Commerce Commission's concern regarding the burdens that inefficient utilization of telephone numbers impose not only on our customers but also on telecommunications carriers as evidenced by the requests made in your April 9th letter. The imposition of local number portability on certain carriers is burdensome and expensive. I would also suggest that LNP does not address the root cause of why 618 and 815 area codes are in jeopardy of an exhaust. The "real" reason is the Illinois Commerce Commission's silence regarding virtual NXX usage and the questionable activities of certain companies operating in the 618 and 815 area code regions. When 29 percent of the numbers in a given area code are being utilized and the area code is in exhaust, something is amiss and porting numbers isn't going to fix it.

Several months ago I personally visited ICC staff to explain in detail the use of virtual NXX and how certain companies certificated by the ICC as facilities based Competitive Local Exchange Carriers (CLEC) were assigned blocks of numbers that were sitting idle. I encouraged the staff to implement an aggressive reclamation process to retrieve these numbers. In a follow up meeting, I further explained that, in addition to artificially inducing the exhaust of area codes, these companies were "gaming the system" and operating in a questionable manner. I subsequently submitted the attached white paper on NXX usage to the ICC staff. It now appears that my reclamation recommendation and the concerns I expressed have fallen on deaf ears. Not only have the issues and concerns raised by the ITA not been addressed, the ICC is now apparently shifting, unrealistically, the hope of forestalling the exhaust of these areas codes to the members of the ITA.

I strongly encourage the ICC to revisit this issue of virtual NXX and focus on the root cause of why these area codes are running out of numbers and to pursue aggressively the reclamation of NXX codes inappropriately held by certain companies, as other states have done. To do otherwise will allow certain CLECs to exploit circumstances that mask the marketplace, promote questionable subsidies (free transport), and permit companies to use the telecommunications rietwork in a manner inconsistent with existing regulatory parameters. If the ICC fails to act to remedy the root causes that are artificially exhausting the 618 and 815 area codes, the Illinois Telecommuni cations Association will be forced to seek relief for our members and our members' customers through all available means.

I look forward to your response.

Sincerely,

Douglas Dougherty

President

CC: Commissioner Harvill
Commissioner Hurley
Commissioner Kretschmer
Commissioner Squires

ITA Board of Directors



# The Virtual NXX (a/k/a/ virtual FX) Provider's False Claim for Numbering Resources

A Case for NXX Reclamation and Area Code Preservation by the Illinois Commerce Commission

Certain Competitive Local Exchange Carriers (CLEC) have obtained numbering resources for rate centers in which they do not have facilities or customers. It is unlikely that these CLECs that deploy a virtual NXX scheme will ever use a fraction of the numbers assigned to them. The experience of larger ILECs is that the primary motivator for the CLEC to assign virtual NXX munbers is to take advantage of limitations in the billing systems of larger ILECs.

The billing systems of most large ILECs are designed on the premise that numbers are assigned to the geographic area for which they have been requested. The billing system compares the originating number and the called number to determine if traffic is local or toll. Virtual NXX numbers appear to be local to the billing system because the numbers are represented in the local exchange routing guide (LERG) as local to the customers initiating calls to virtual NXX numbers.

When calls are originated by ILEC customers to CLEC virtual NXX numbers in the same rate center as the ILEC customers initiating the calls, the ILEC switch routes the call to the CLEC switch, which is normally beyond the local calling area. Because the ILEC billing system compares numbers to determine if local or toll billing applies, the billing system views such calls as local traffic. As such, no toll billing record is generated for the vast majority of calls carried to the CLEC's switch which terminate outside of the ILEC's local calling area. This traffic is essentially transported over the ILEC's facilities for which the CLEC does not provide compensation and in certain cases the ILEC has to pay reciprocal compensation to that same CLEC.

The Illinois Commerce Commission should subject Virtual NXX providers operating under the banner of a Competitive Local Exchange Carrier and in possession of numbering resources to a rigorous accounting of number utilization. Where appropriate, the ICC should reclaim these numbering resources.



#### Office of the Chairman and Commissioners

#### Illinois Commerce Commission

May 2, 2002

Mr. Doug Dougherty
Illinois Telephone Association
300 E. Monroe, Suite 300
P.O. Box 730
Springfield, Illinois 62705

Re: Your April 22, 2002 Letter

Dear Mr. Dougherty:

First, let me express my disappointment over the tone of your letter of April 22, 2002. The last paragraph in particular is very disturbing and totally out of character with the type of response your association usually provides. I wish you would have responded to the Commission's inquiry in a more constructive manner instead of simply dismissing Local Number Portability as "burdensome and expensive." The Commission is attempting to address an issue that is of great interest to Illinois citizens, many of whom are customers of your incumbent local exchange carrier member companies.

Second, by trying to impose your view of a perceived single "root cause" for area code exhaustion upon the Commission, are you effectively taking a narrow-minded perspective that you are accusing the Commission of taking? While I do not want to speculate over your statements regarding "questionable activities by certain carriers" that are "gaming the system", I want to remind you that some of the "new" carriers have no choice but to take a complete NXX code of 10,000 telephone numbers just to receive the few telephone numbers they need to conduct business in any given rate center. The reason they have to take a full set of 10,000 numbers is because many incumbent local exchange carriers in the 618 and 815 areas do not have number pooling capabilities at this time. Without addressing the merits of the "virtual NXX" issue, it is apparent that many of the new carriers willingly would have taken only one tenth of the numbering resources if all incumbent local exchange carriers in the 618 and 815 areas had number pooling capabilities.

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Third, your letter is silent about the fact that there are roughly 2 million unused numbers held by incumbent local exchange carriers in the 618 and 815 areas that cannot be used by any other carrier because, again, incumbent local exchange carriers do not have number pooling capabilities. For example, if a carrier wants to receive a small set of numbers in a rate center where only a few hundred of the 10,000 numbers in the NXX are being used by the incumbent, the new entrant has to order a entirely new NXX code. Thus, your recommended "aggressive reclamation process", targeted solely to the new entrants, seems highly inappropriate and self-serving. Nonetheless - and contrary to your assertions - it is my understanding that Commission Staff is actively working with some of the "questionable" carriers to find ways to further help extend the life of the 618 and 815 area codes.

Finally, the issue of providing "virtual NXX" codes and the resulting carrier compensation mechanisms are very complex and do not lend themselves to a simple characterization of "questionable subsidies." I am confident that the treatment of "virtual NXX" traffic in the context of inter-carrier compensation will come before the Commission, with all parties having an opportunity to express their view.

Sincerely,

Richard L. Mathias

cc: Commissioner Terry S. Harvill
Commissioner Edward C. Hurley
Commissioner Ruth K. Kretschmer
Commissioner Mary Frances Squires
Executive Director Scott Wiseman
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